Office of the Under Secretary of Defense (Comptroller) Financial Reporting and Analysis Directorate

# Department of Defense Tie-Points Project

16<sup>th</sup> Annual Government Financial Management Conference August 10, 2006 Presented by: Kathy Sherrill, CPA Staff Accountant 703-614-7524 – kathy.sherrill@osd.mil

#### Overview

- DoD Approach
- Benefits
- Examples of DoD Tie-Points
- Questions

# DoD Approach to the Project

- DoD's reporting system was modified several years ago to incorporate tie points – they are continually refined
- In response to the Tie-Points project DoD worked first at the Agency level to:
  - Compare our tie-points to IRC's proposed tie-points
  - Validate completeness/consistency of our tie-points to those from the project
  - Analyze differences and suggest modifications in some cases to our system tie-points, in some cases to the IRC for the tie-points in the project

# DoD Approach to the Project

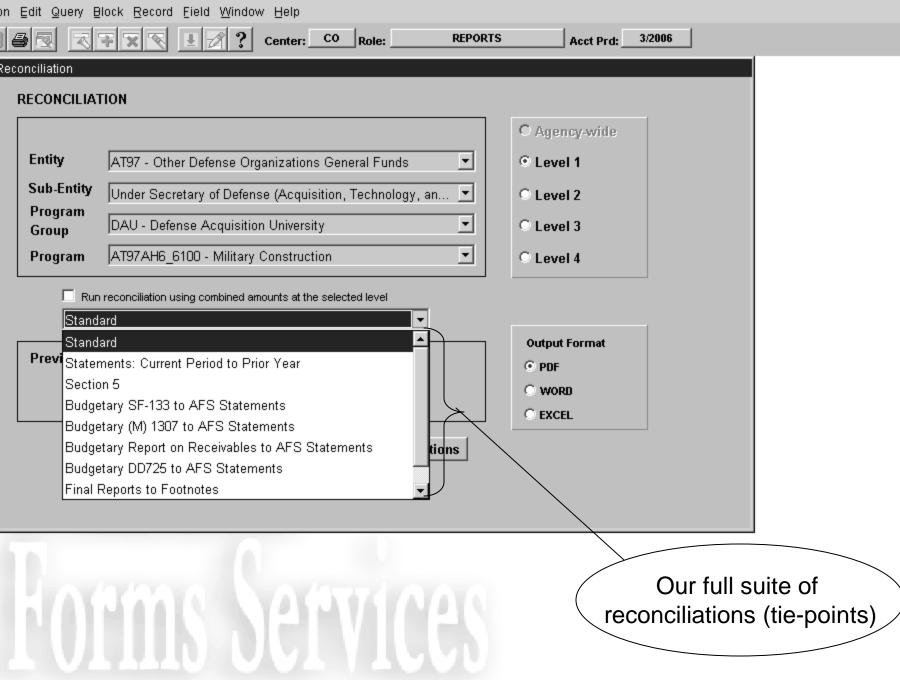
- Agency Wide results passed to DoD components to test tie-points at the Treasury Account Fund Symbol level
  - Entities with capability tested at appropriation and fiscal year level
  - Other entities tested at summary appropriation level

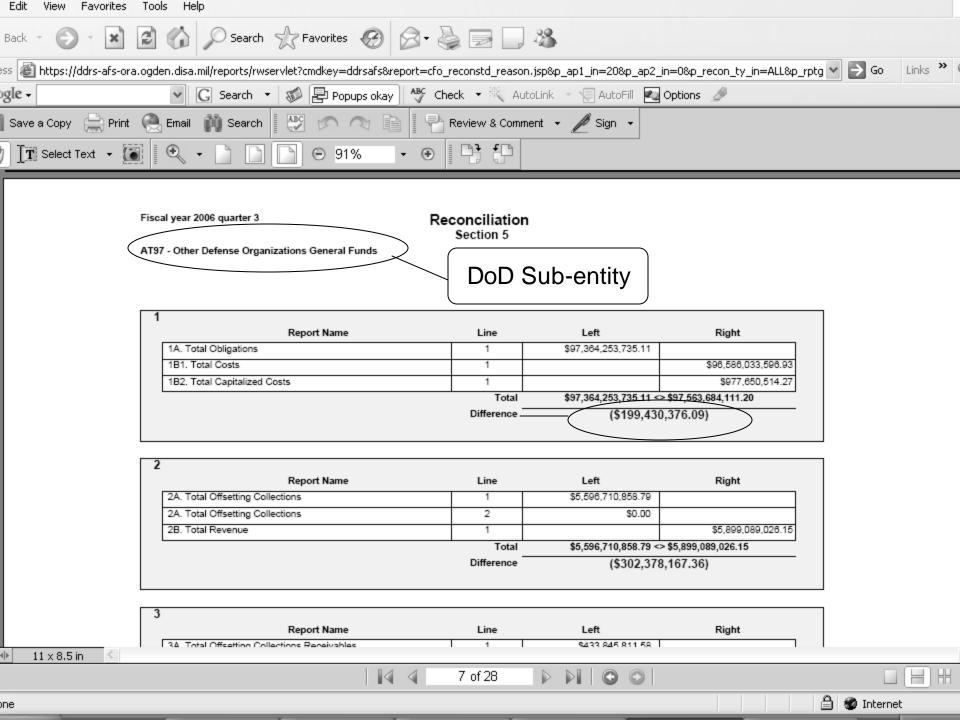
#### Results:

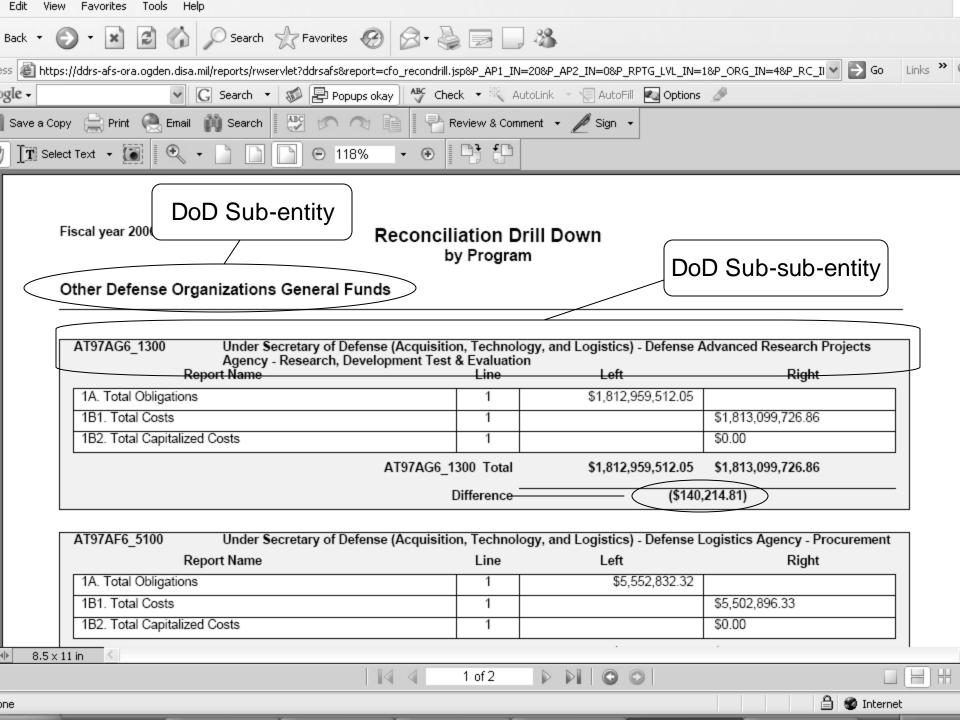
- Validation and update of many DoD existing tie-points
- Addition of many new tie points to both our monthly budgetary and quarterly financial reporting systems
- Feedback/suggestions to IRC

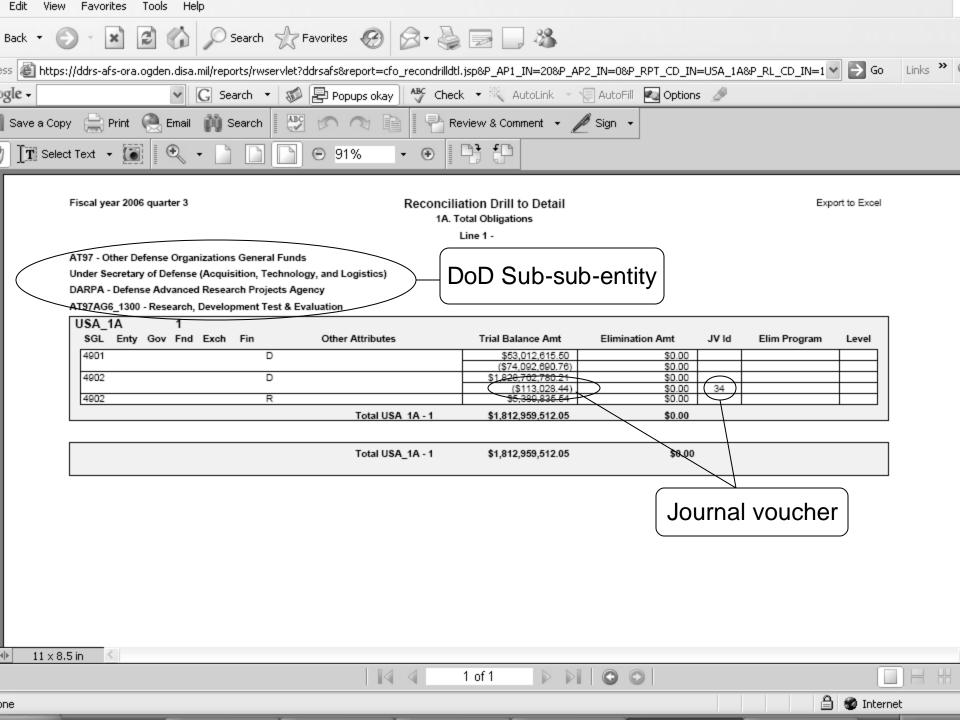
#### Benefits of Tie-Points

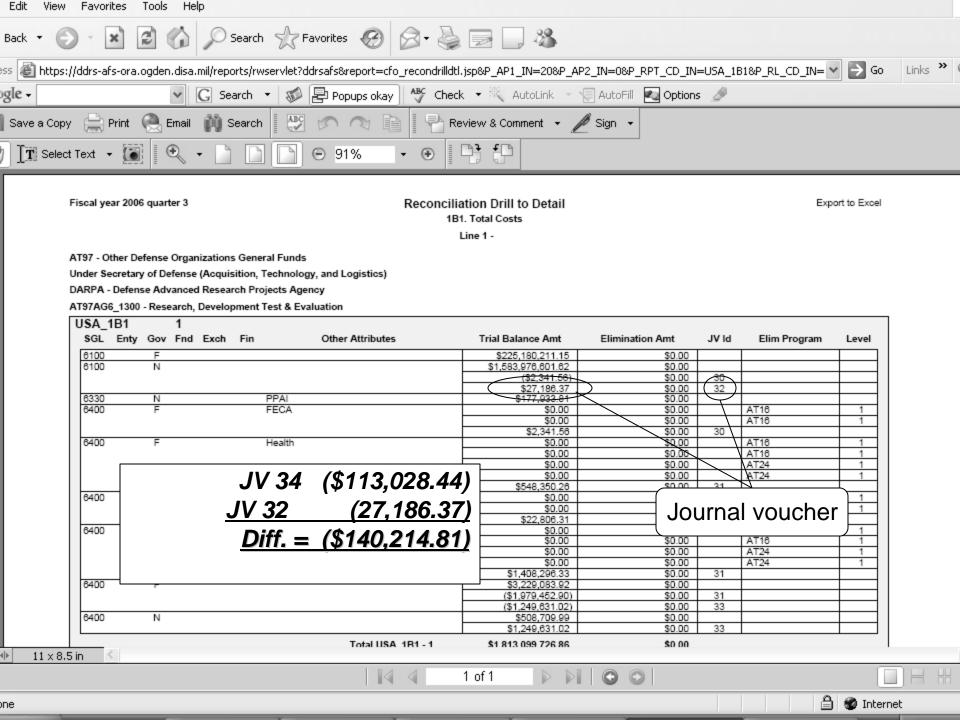
- Early identification/correction of potential reporting errors
  - Mandatory Reciprocal Accounts Agree
  - Basic Statements Balance and Tie
- Identification of system shortcomings
  - Incomplete or Incorrect Transaction Scenarios
- Aid understanding of the USSGL by DoD accountants











### In Closing...

Use the Tie-Points to Your Benefit

Questions?